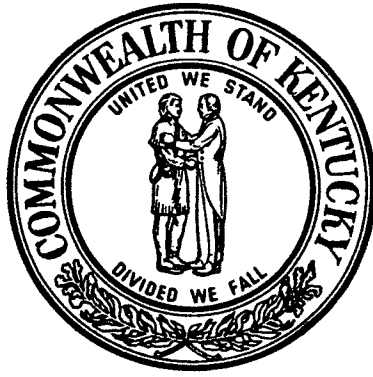




Kentucky Revised Statutes
Relating to
Qualification of
Road Contractors
and
Material Suppliers

Commonwealth of Kentucky
Transportation Cabinet
Division of Construction Procurement
Frankfort, Kentucky





Introduction

Pursuant to KRS Section 176.130 through 176.220, the Transportation Cabinet determines who shall be eligible to bid upon contracts to be let by the Transportation Cabinet for the construction or maintenance of public roads and other related projects.

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Kentucky Revised Statutes
Relating to
Qualification
of
Road Contractors and
Material Suppliers

**KRS 176.130 Certificates of Eligibility for Contractors;
Application; when necessary**

- (1) Every person who seeks to procure, bid upon, or offer to bid upon any contract with the department for the construction or maintenance of any public road or any section thereof, before procuring a proposal form or submitting any bid to obtain such contract, shall procure a certificate of eligibility from the department to bid on such work.
- (2) All applications for a certificate of eligibility shall be made to the department in writing, and the department shall act upon the application within thirty days after the application is filed.
- (3) A certificate of eligibility is not necessary where the department purchases equipment, material and supplies directly, except in the case of purchase of crushed stone in lots of more than one thousand tons, or bituminous materials in tank car lots.

KRS 176.140 Determination of Eligibility to Bid

- (1) The department shall determine who shall be eligible to bid upon any contract with the department for the construction or maintenance of any public road or section thereof. The department may adopt rules and regulations and make investigations and examinations to determine the financial status, experience, responsibility, business ability, previous record, sufficiency of plant and equipment and any other pertinent facts necessary to determine the eligibility of the proposed bidder.

- (2) The department shall establish rules and regulations governing the application for the certificate of eligibility, the means and methods of obtaining information relative to the applicant, and the granting of, or refusal to grant, a certificate of eligibility, and may require a financial statement of the applicant, verified by the applicant or, in the case of a corporation, by an authorized official thereof, as often as the department deems it necessary, and at least once in every twelve months.
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KRS 176.150 Investigation of Financial Status of Applicants; Nonresidents May Obtain Certificates

- (1) No bidder shall be given a certificate of eligibility unless his financial statement and the investigation made by the department show that he possesses net current assets or working capital sufficient in the judgement of the department to render it probable that he can satisfactorily execute his contracts and meet obligations therein incurred. All applications for certificates shall expressly authorize the department to obtain all information which it deems pertinent with respect to the financial status, assets and liabilities of the applicant from any persons having business transactions with the applicant, and shall expressly authorize all such persons to furnish any such information requested from them by the department.
- (2) No applicant shall be given a certificate of eligibility until the applicant provides the secretary of the Transportation Cabinet with his sworn statement made under penalty of perjury that he has not knowingly violated any provision of the campaign finance laws of the Commonwealth and that the award of a contract to the applicant will not violate any provision of the campaign finance laws of the Commonwealth. "Knowingly" means, with respect to conduct or to a circumstance described by a statute defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.
- (3) Certificates of eligibility shall be issued without reference to the residence of applicants and the rules and regulations regarding the issuance of certificates shall apply equally to residents and nonresidents. A certificate of eligibility shall not be denied to any applicant upon the sole issue of nationality or residence.
- (4) When the applicant is a foreign corporation, the application shall be accompanied by a certificate from the Secretary of State that such corporation is authorized to do business in the state in which it is incorporated.

KRS 176.160 Issuance or Denial of Certificate Effect

- (1) After obtaining such information as it deems necessary relative to the qualification of the applicant, the department shall determine whether or not the applicant is eligible to bid upon road contracts. The department shall promptly notify all applicants of its final action on their applications.
 - (2) If the department determines that the applicant is eligible, it shall issue to him a certificate of eligibility which shall entitle the applicant to bid upon any contract with the department for the construction or maintenance of any public road or section thereof upon which bids are being asked.
 - (3) If the department determines that the applicant is ineligible to bid, it shall reject the application and refuse to issue the certificate of eligibility, and the applicant shall not thereafter make application for a certificate of eligibility until he is qualified, both financially and in all other ways.
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KRS 176.170 Rehearing; Appeal

- (1) Any applicant aggrieved by the decision of the department made pursuant to KRS 176.160 may, within ten (10) days after receiving notification of the decision, request in writing an administrative hearing which shall be conducted in accordance with KRS Chapter 13B.
 - (2) Any applicant who is aggrieved by the final order of the department may appeal to the Franklin circuit court in accordance with KRS Chapter 13B.
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KRS 176.180 Limitation on Certificate; Rehearing

- (1) In issuing a certificate of eligibility to any applicant, the department may limit the scope of the certificate as to the number or type of projects, or the amount of work that the contractor may bid upon.
- (2) Any applicant who is dissatisfied with the department's ruling as to the aggregate amount of work which he will be permitted to have under contract at any one time, may at any time file a new application for qualification. Such new application shall be promptly considered and acted upon by the department.

KRS 176.190 Revocation of Certificate: Hearing

A certificate of eligibility may be revoked by the department only after a written notice is given to the qualified bidder and an opportunity given to him for an administrative hearing conducted in accordance with KRS Chapter 13B.

KRS 176.200 Subcontractor to be Named

Before making an award the department may require the bidder to name the subcontractor whom he intends to employ for the various divisions of the work bid upon.

KRS 176.210 Lists of Qualified Bidders May be Made Public

The department may make public from time to time lists of qualified bidders. Such lists shall be general in character and shall not indicate the size of the contracts with respect to which the bidders have qualified.

KRS 176.220 Bids from Unqualified Bidders

The department shall not consider any bid filed with it by any person not holding a certificate of eligibility. Bids from unqualified bidders, which are discovered by the department before they are read, shall be returned to the bidders without being read. If the department finds subsequent to the opening of bids that facts exist which would disqualify the lowest bidder, or that such bidder is not responsible and competent, the department shall reject such bid, despite the previous qualification of the bidder. The department shall not award any contract to any bidder not qualified to bid thereon at the time the bids are opened.